

Hearing Date and Time: September 11, 2012 at 10:00 a.m. (prevailing Eastern Time)

Objection Deadline: September 4, 2012 at 4:00 p.m. (prevailing Eastern Time)

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Counsel for the Official Committee of Unsecured Creditors

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----	X
In re:	: Chapter 11
	:
Residential Capital, LLC, <u>et al.</u> ,	: Case No. 12-12020 (MG)
	:
Debtors.	: Jointly Administered
	:
-----	X

**NOTICE OF APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED
CREDITORS FOR ENTRY OF AN ORDER AUTHORIZING THE EMPLOYMENT
AND RETENTION OF SAN MARINO BUSINESS PARTNERS LLC AS CONSULTANT
TO THE COMMITTEE, NUNC PRO TUNC TO AUGUST 11, 2012**

PLEASE TAKE NOTICE OF THE FOLLOWING:

1. On August 27, 2012 the Official Committee of Unsecured Creditors (the “**Committee**”) of the above captioned debtors and debtors-in-possession filed the attached Application of the Official Committee of Unsecured Creditors for Entry of an Order Authorizing the Employment and Retention of San Marino Business Partners LLC as Consultant to the Committee, *Nunc Pro Tunc* to August 11, 2012 (the “**Application**”).

2. A hearing (the “**Hearing**”) to consider the Application shall be held before the Honorable Martin Glenn, United States Bankruptcy Judge, in Room 501 of the United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, New York, 10004, on **September 11, 2012 at 10:00 a.m.** (prevailing Eastern time).

3. Any objections to the Application must be made in writing, filed with the Court (with a copy to Chambers) and served in accordance with the Order Under Bankruptcy Code Sections 102(1), 105(a) and 105(d), Bankruptcy Rules 1015(c), 2002(m) and 9007 and Local Bankruptcy Rule 2002-2 Establishing Certain Notice, Case Management and Administrative

Procedures entered on May 23, 2012 [Docket No. 141] (the “**Case Management Order**”), so as to be received no later than **September 4, 2012 at 4:00 p.m.** (prevailing Eastern Time) (the “**Objection Deadline**”).

4. If no objections to the Application are timely filed and served on or before the Objection Deadline, the Committee may submit to the Bankruptcy Court an order substantially in the form of the proposed order attached to the Application as **Exhibit B** (the “**Proposed Order**”).

5. A Copy of the Application can be obtained or viewed for a fee via PACER at www.pacer.gov or (without charge) on the Debtors’ restructuring website at www.kccllc.net/rescap.

Dated: August 27, 2012
New York, New York

KRAMER LEVIN NAFTALIS & FRANKEL LLP

/s/ Philip Bentley
Philip Bentley
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*Counsel for the Official Committee of Unsecured
Creditors of Residential Capital, LLC, et al.*

Hearing Date and Time: September 11, 2012 at 10:00 a.m. (Prevailing Eastern Time)

Deadline for Objections: September 4, 2012 at 4:00 p.m. (Prevailing Eastern Time)

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Committee of Unsecured Creditors

**UNITED STATES BANKRUPTCY COURT
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In re:	: Chapter 11
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RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,	: Case No. 12-12020 (MG)
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Debtors.	: Jointly Administered
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**APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR
ENTRY OF AN ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION OF
SAN MARINO BUSINESS PARTNERS LLC AS CONSULTANT
TO THE COMMITTEE, NUNC PRO TUNC TO AUGUST 11, 2012**

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TO THE HONORABLE MARTIN GLENN
UNITED STATES BANKRUPTCY JUDGE:

The Official Committee of Unsecured Creditors (the “Committee”) of the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) hereby applies for entry of an order (the “Application”), pursuant to sections 328 and 1103 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rule 2014-1 of the Local Bankruptcy Rules of the Southern District of New York (the “Local Bankruptcy Rules”), in substantially the form attached hereto as Exhibit B, authorizing it to retain San Marino Business Partners LLC (“SMBP”) as consultant and possible expert witness for the Committee in connection with the above-captioned chapter 11 cases (the “Chapter 11 Cases”), *nunc pro tunc* to August 11, 2012. In support of this Application, the Committee submits the Declaration of Bradford Cornell (the “Cornell Declaration”), attached hereto as Exhibit A, and respectfully represents as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A).
2. Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.
3. The bases for the relief requested herein are sections 328 and 1103 of the Bankruptcy Code, Bankruptcy Rule 2014, and Local Bankruptcy Rule 2014-1.

BACKGROUND

4. On May 14, 2012 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code. The Debtors continue to operate their

businesses and manage their properties as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

5. On May 16, 2012, the United States Trustee for the Southern District of New York (the “United States Trustee”), pursuant to section 1102 of the Bankruptcy Code, appointed the Committee to represent the interests of all unsecured creditors in these Chapter 11 Cases. The United States Trustee selected the following nine parties to serve as members of the Committee: (i) Wilmington Trust, N.A.; (ii) Deutsche Bank Trust Company Americas; (iii) The Bank of New York Mellon Trust Company, N.A.; (iv) MBIA Insurance Corporation; (v) Rowena L. Drennen; (vi) AIG Asset Management (U.S.), LLC; (vii) U.S. Bank National Association; (viii) Allstate Life Insurance Company; and (ix) Financial Guaranty Insurance Corporation.

6. On July 16, 2012, the Court entered an order approving Kramer Levin Naftalis & Frankel LLP (“Kramer Levin”) as counsel to the Committee.

7. On June 18, 2012, the Court directed the United States Trustee to appoint an examiner in these Chapter 11 Cases.

8. The Committee voted to retain SMBP as its consultant and possible expert witness, effective as of August 11, 2012.

RELIEF REQUESTED

9. This Application is made by the Committee for an order, pursuant to sections 328 and 1103 of the Bankruptcy Code, Bankruptcy Rule 2014, and Local Bankruptcy Rule 2014-1, authorizing it to retain and employ SMBP as its consultant and possible expert witness in connection with the 9019 Motion (defined below), *nunc pro tunc* to August 11, 2012, in accordance with the terms of the engagement letter between SMBP and Kramer Levin, on behalf of the Committee, a copy of which is attached hereto as Exhibit C (the “Engagement Letter”).

BASIS FOR RELIEF REQUESTED

10. On May 31, 2012, the Debtors filed a *Motion Pursuant to Fed. R. Bankr. P. 9010 for Approval of the RMBS Trust Settlement Agreements*, [Docket No. 320] (as amended and supplemented, the “9019 Motion”). By the 9019 Motion, the Debtors are seeking approval of a proposed settlement (the “RMBS Settlement”) resolving potential representation and warranty claims and other claims against certain of the Debtors held by up to 392 securitization trusts for an \$8.7 billion allowed claim (in the aggregate). The Committee is currently investigating the merits of the RMBS Settlement.

11. On July 31, 2012, the Court entered the *Revised Joint Omnibus Scheduling Order and Provisions for Other Relief Regarding (I) Debtors’ Motion Pursuant to Fed. R. Bankr. P. 9019 For Approval of RMBS Trust Settlement Agreements, and (II) the RMBS Trustees’ Limited Objection to the Sale Motion* [Docket No. 945] (the “Scheduling Order”). Pursuant to the Scheduling Order, the following dates apply in connection with completion of discovery and introduction of expert testimony relating to the 9019 Motion: (i) fact discovery of the Debtors will end on September 24, 2012, (ii) any party seeking to introduce expert testimony at the hearing for the 9019 Motion will designate its expert witness no later than September 24, 2012, (iii) any expert report to be offered in evidence in connection with the 9019 Motion by the Committee or the RMBS Trustees will be filed by October 8, 2012, and (iv) all discovery will end on October 12, 2012.

12. Evaluation of the complex issues raised by the RMBS Settlement requires the knowledge and expertise of experienced professionals and may require expert testimony. The Committee contemplates that SMBP will provide expert consulting services and, if needed, Professor Cornell will provide testimony as an expert witness. SMBP is a small consulting firm and therefore, in addition to its regular staff, will be contracting with Coherent Economics, LLC

(“Coherent Economics”) to assist with its analysis, including the statistical analysis of the results of a review of up to 1,500 loan files, econometric analyses of loss incidence and severity and estimation of breach-related losses. In addition, SMBP will work with a loan review, or “re-underwriting,” firm to review up to 1,500 loan files.

13. To assist the Committee with its statutory rights and duties under section 1103(c) of the Bankruptcy Code, a Committee may retain experts and consultants. *See* 11 U.S.C. §§ 328(a) and 1103(a); *See also In re Motors Liquidation Company*, Case No. 09-50026 (April 30, 2010) [Docket No. 5683] (authorizing the official committee of unsecured creditors to retain a consultant for valuation of asbestos liabilities under sections 328 and 1103 of the Bankruptcy Code).

14. The Committee selected SMBP because of Professor Cornell’s expertise and extensive experience on numerous complex financial issues, including matters relating to residential mortgage backed securities. In addition, Professor Cornell has extensive experience as an expert witness on a wide array of financial matters. Professor Cornell is a visiting professor of financial economics at California Institute of Technology and was previously a professor of finance at the Anderson Graduate School of Management, University of California, Los Angeles for 26 years. Professor Cornell has a Ph.D. in financial economics and a masters of science in statistics. The Committee believes that the retention of SMBP to assist the Committee in evaluating the RMBS Settlement will further the Committee’s ability to serve the interest of general unsecured creditors, as prescribed in Bankruptcy Code section 1103(c)(5).¹

¹ 11 U.S.C. § 1103 provides, in pertinent part, that “... a committee appointed under section 1102 of this title may . . . perform such other services as are in the best interest of those represented.” 11 U.S.C. § 1103(c)(5).

SERVICES TO BE RENDERED

15. Subject to approval of the Application, and pursuant to the Engagement Letter, it is expected that SMBP's services will include, without limitation, the following consulting services and possible expert witness services:

- Estimation of the Debtors' put-back liabilities;
- Review and analysis of the Debtors' loan files (it is currently anticipated that the re-underwriter will be reviewing up to 1,500 loan files);
- Development of an expert report and opinion, and if necessary the provision of expert testimony, with respect to the RMBS Settlement;
- Provision of such other expert related testimony, consulting or advisory services as may be needed.

16. The Committee will be utilizing other professionals to assist in the analysis of the RMBS Settlement,² and SMBP will work closely with such other professionals to ensure there is no unnecessary duplication of services.

PROFESSIONAL COMPENSATION

17. SMBP has indicated its willingness to serve as consultant for the Committee and to receive compensation and reimbursement in accordance with its standard billing practices, the provisions of the Engagement Letter and the provisions of sections 328, 330 and 331 of the Bankruptcy Code, or as otherwise ordered by the Court.

18. The Committee respectfully submits that the rates charged by SMBP are fair and reasonable. SMBP's current hourly rates for its staff are as follows: \$975/hour for Professor Bradford Cornell and \$200 to \$400/hour for SMBP support staff. As discussed above, SMBP is contracting with Coherent Economics to assist with its analysis. SMPB will include the fees incurred by Coherent Economics in its monthly fee statements and its fee applications at

² The Committee is filing an application to expand the scope of Moelis & Company LLC's ("Moelis") retention to include analysis of, and expert report/testimony services in connection with, the RMBS Settlement. SMBP will work with Kramer Levin and Moelis to avoid duplication of effort.

Coherent Economics' current billing rates, which are as follows: \$775/hour for Dr. Alan S. Frankel (Director); \$690/hour for Dr. Roy J. Epstein (Senior Consultant); \$645/hour for consultants; \$495/hour for economists; and \$220 to \$445/hour for research analysts.

19. These hourly billing rates are subject to periodic adjustments to reflect economic and other conditions. Prior to any increases in the rates set forth herein, SMBP shall file a supplemental declaration with the Court and give ten business days' notice to the Debtors, the United States Trustee and any official committee, which supplemental declaration shall explain the basis for the requested rate increases in accordance with section 330(a)(3)(F) of the Bankruptcy Code and indicate whether the client has received notice of and approved the proposed rate increase.

20. SMBP regularly charges its clients for expenses incurred in connection with the representation of a client in a given matter. Such expenses include, without limitation, travel costs, telecommunications, express or overnight mail, messenger service, photocopying costs, overtime meals, and other computer research related expenses, and, in general, all identifiable expenses that would not have been incurred except for representation of a particular client. In addition, SMBP will include the expenses incurred by Coherent Economics as expenses in its monthly fee statements and its fee applications. SMBP will abide by the rules and regulations relating to reimbursement of expenses which have been adopted by this Court and by the Office of the United States Trustee.

21. SMBP will include Coherent Economics' invoices in its monthly fee statements and its fee applications and will pay Coherent Economics' invoices, pro rata, as SMBP receives payment from the Debtors. SMBP has an agreement with Coherent Economics that, in exchange for the services that SMBP has and will render in generating and managing the work in

this engagement, Coherent Economics will pay SMBP twenty percent of all of Coherent Economics' professional billings, excluding those of Dr. Frankel, the director of Coherent Economics.

DISINTERESTEDNESS OF PROFESSIONALS

22. To the best of the Committee's knowledge, except as stated in the Cornell Declaration, (i) SMBP is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code; (ii) neither SMBP nor its professionals have any connection with the Debtors, the creditors or any other party-in-interest; and (iii) SMBP does not hold or represent any interest adverse to the Debtors' estates or the Committee in the matters for which it is to be retained.

NOTICE

23. In accordance with the Order Under Bankruptcy Code Sections 102(1), 105(a) and 105(d), Bankruptcy Rules 1015(c), 2002(m) and 9007 and Local Bankruptcy Rule 2002-2 Establishing Certain Notice, Case Management and Administrative Procedures [Docket No. 141] (the "Case Management Order"), notice of this Application has been given to all parties listed on the Monthly Service List (as defined in the Case Management Order). Because of the nature of the relief requested, the Committee submits that such notice is sufficient and that no further notice of the relief requested in the Application need be provided.

NO PRIOR REQUEST

24. No prior request for the relief sought herein has been made to this or any other Court.

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WHEREFORE, the Committee respectfully requests that the Court enter an order, substantially in the form attached hereto as Exhibit B, (i) authorizing the Committee's retention of SMBP as its consultant and possible expert witness *nunc pro tunc* to August 11, 2012, (ii) authorizing the payment and reimbursement of SMBP's fees and disbursements, subject to interim and final allowance thereof in accordance with sections 328, 330 and 331 of the Bankruptcy Code or as otherwise ordered by the Court, and (iii) granting such other and further relief as may be just and proper.

Dated: New York, New York
August 27, 2012

**THE OFFICIAL COMMITTEE OF
UNSECURED CREDITORS OF RESIDENTIAL
CAPITAL, LLC, et al.,**

By: /s/ Julie Becker
Julie Becker, Vice President, Corporate Capital
Markets, Wilmington Trust, N.A.

Co-Chair, Official Committee of Unsecured
Creditors of Residential Capital, LLC, et al.

EXHIBIT A

Cornell Declaration

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

----- X
In re: : Chapter 11
:
Residential Capital, LLC, et al., : Case No. 12-12020 (MG)
:
Debtors. : Jointly Administered
:
----- X

**DECLARATION OF BRADFORD CORNELL IN SUPPORT
OF APPLICATION OF THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
FOR ENTRY OF AN ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION
OF SAN MARINO BUSINESS PARTNERS LLC AS
CONSULTANT TO THE COMMITTEE, NUNC PRO TUNC TO AUGUST 11, 2012**

Pursuant to Rule 2014(a) of the Federal Rules of Bankruptcy Procedure,
BRADFORD CORNELL declares:

1. I am the sole member and managing director of San Marino Business Partners LLC (“SMBP”), which is located at 607 Foxwood Road, La Canada, California 91101. I make this declaration (the “Declaration”) in support of the application dated August 27, 2012 (the “Application”) of the duly-appointed Official Committee of Unsecured Creditors (the “Committee”) in the chapter 11 cases (the “Chapter 11 Cases”) of the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) seeking entry of an order, substantially in the form attached to the Application as Exhibit B, authorizing the retention of SMBP as consultant and possible expert witness to the Committee in compliance with sections 328 and 1103 of chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”) and to provide the disclosure required under Rules 2014 and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rules 2014-1 and 2016-1 of the Local Bankruptcy Rules for the Southern District of New York (the “Local Bankruptcy Rules”).

2. Unless otherwise stated in this Declaration, I have personal knowledge of the facts hereinafter set forth. To the extent that any information disclosed herein requires subsequent amendment or modification upon SMBP's completion of further analysis or as additional information regarding creditors and other parties-in-interest becomes available, one or more supplemental declarations will be submitted to the Court reflecting the same.

SERVICES TO BE RENDERED

3. I am currently a visiting professor of financial economics at the California Institute of Technology and was previously a professor of finance at the Anderson Graduate School of Management, University of California, Los Angeles for 26 years. I have a Ph.D. in financial economics and a masters of science in statistics. In addition, I am the sole member and managing director of SMBP, a business consulting firm, a senior consultant (in the capacity as an independent contractor) and advisory committee member at Compass Lexecon, and until 2011, a senior consultant at Charles River Associates. In addition to my teaching duties at California Institute of Technology, I am frequently engaged to provide various consulting, litigation, and expert advice relating to a wide array of financial matters. Typically, I am an independent contractor ultimately engaged by a law firm representing litigation or corporate principals in discrete matters but my compensation is billed to, and paid by, the consulting firm (either Compass Lexecon, Charles River Associates or SMBP) I am engaged to assist. As I typically work on a limited number of engagements, each of the assignments represents more than 1% of my annual revenue and the revenue of SMBP.

4. Subject to approval of the Application, and pursuant to the Engagement Letter, it is expected that SMBP's services will include, without limitation, the following consulting services and possible expert witness services:

- Estimation of the Debtors' put-back liabilities;
- Review and analysis of the Debtors' loan files (it is currently anticipated that the re-underwriter will be reviewing up to 1,500 loan files);
- Development of an expert report and opinion, and if necessary the provision of expert testimony, with respect to the RMBS Settlement;
- Provision of such other expert related testimony, consulting or advisory services as may be needed.

5. I understand that the Committee will be utilizing other professionals to assist in the analysis of the RMBS Settlement and SMBP will work closely with such other professionals to ensure there is no unnecessary duplication of services.

DISINTERESTEDNESS OF PROFESSIONALS

6. In connection with this proposed engagement, I was provided with a comprehensive list of entities (the "Contact Parties"), that was prepared by the Debtors' counsel, who may have contacts with the Debtors (the "Retention Checklist"). According to the Retention Checklist, the Contact Parties include, but are not limited to: (a) the Debtors and their subsidiaries; (b) the Debtors' foreign subsidiaries; (c) the Debtors' officers and directors; (d) parties to funding agreements with the Debtors; (e) the Debtors' bondholders; (f) the Debtors' landlords and tenants; (g) parties to litigation with the Debtors; (h) judges of the United States Bankruptcy Court for the Southern District of New York and district court judges in New York; (i) attorneys for the Office of the United States Trustee for the Southern District of New York; (j) the Debtors' depository banks; (k) the Debtors' consultants and professionals and professionals retained by other significant non-Debtor parties-in-interest; (l) HELOC investors in the Debtors; (m) counterparties to servicing agreements with the Debtors; (n) significant utility providers to the Debtors; and (o) the Debtors' 50 largest unsecured creditors. A copy of the Retention Checklist is attached hereto as Schedule 1.

7. SMBP reviewed the names on the Retention Checklist to determine whether SMBP has connections to such parties and, if so, whether such connections relate in any way to the proposed engagement in these Chapter 11 Cases. In addition, I caused the Retention Checklist to be circulated by electronic mail to all SMBP staff and to all professionals at Coherent Economics who will be working on this engagement. (As noted below, SMBP is contracting with Coherent Economics to assist with this engagement.) Any client connection in which SMBP, Coherent Economics, I or any other professional who will be working on this engagement had represented a Contact Party within the last two years was compiled for purposes of this Declaration.

8. Based on this review, it appears that both SMBP and I (i) do not hold or represent an interest that is adverse to the Debtors' estates or the Committee on matters on which engaged, (ii) each are a disinterested person who does not hold or represent any interest adverse to and has no connection with (subject to the disclosures set forth below) the Debtors, their creditors, the United States Trustee or any party-in-interest herein in the matters upon which SMBP is to be retained, and (iii) each are a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code, subject to the following material disclosures. I believe that my, SMBP's and Coherent Economics' representation of the following parties has not affected and will not affect SMBP's engagement in these Chapter 11 Cases:

- a. SMBP and I do not and will not represent any entities other than the Committee in matters directly related to these Chapter 11 Cases.
- b. SMBP is contracting with Coherent Economics to assist with its work in this engagement and Coherent Economics will not perform work for any other entities in matters directly related to these Chapter 11 Cases.
- c. I am an independent contractor for Compass Lexecon (formerly Lexecon), a division of FTI Consulting, Inc., one of the Debtors' retained professionals. As an independent contractor of Compass Lexecon, I have not done any work for the Debtors' Chapter 11 Cases. In addition, various other employees and personnel at

Coherent Economics working on this engagement are either independent contractors or former employees of Compass Lexecon.

- d. In 2001, I was retained by a law firm on behalf of Residential Funding Corp. (“RFC”) and General Motors Acceptance Corp. (“GMAC”) to analyze potential damages associated with RFC’s allegedly inappropriate refusal to supply continued funding to DeGeorge Financing Corp. I provided deposition testimony in August 2001 and trial testimony in September 2001. This former representation was unrelated to the analysis of the RMBS Settlement and will not affect SMBP’s ability to consult with the Committee in these Chapter 11 Cases.
- e. Various IndyMac entities are counterparties to servicing agreements with the Debtors. In matters unrelated to the Debtors’ Chapter 11 Cases, I was retained by a law firm on behalf of two former officers of IndyMac in an action by the FDIC against the former officers.
- f. PriceWaterhouse Coopers is a professional of the Debtors. In matters unrelated to the Debtors’ Chapter 11 Cases, I was retained by a law firm on behalf of PriceWaterhouse Coopers to provide consulting services and deposition testimony in connection with an action against PriceWaterhouse Coopers.
- g. Wells Fargo is a member of the Creditors’ Committee, a party to a funding agreement, HELOC investor and trustee. In matters unrelated to the Debtors’ Chapter 11 Cases, I was retained by a law firm on behalf of Wells Fargo to provide an opinion and deposition testimony in connection with an action against Wells Fargo.
- h. The Bank of New York is a member of the Creditors’ Committee, bondholder, depositing bank, HELOC investor and trustee. In matters unrelated to the Debtors’ Chapter 11 Cases, I was retained by law firms on behalf of The Bank of New York Mellon to provide consulting, deposition and/or expert testimony in connection with actions against The Bank of New York Mellon.
- i. Mercer is a professional of the Debtors. In matters unrelated to the Debtors’ Chapter 11 Cases, I was retained by a law firm on behalf of Mercer (US) Inc. to provide consulting services and deposition testimony in connection with an action against Mercer.
- j. In matters unrelated to the Debtors’ Chapter 11 Cases, I previously provided certain consulting services for a confidential client that is listed on the Retention Checklist as a depositing bank and other counterparty to a servicing agreement.
- k. Kirkland & Ellis is counsel to Ally Financial, Inc. In matters unrelated to the Debtors’ Chapter 11 Cases, I was retained by Kirkland & Ellis to provide services on behalf of entities unrelated to the Debtors.

- l. MB Financial Bank, N.A. is a counterparty to a servicing agreement with the Debtors. Dr. Frankel, the director of Coherent Economics, serves as a director on the board of a non-profit with the CEO of MB Financial Bank, N.A.
- m. In addition, the Retention Checklist includes a number of financial institutions and employees of SMBP or Coherent Economics may have interactions as consumers with a number of entities on the Retention Checklist in matters unrelated to the Debtors' Chapter 11 Cases.

9. To the extent any employee of SMBP or Coherent Economics has a relationship that, in the view of SMBP, could give rise to an actual or potential conflict, an ethical screen will be put in place to ensure that such employee does not have access to information related to SMBP's representation of the Committee.

10. I have advised the Committee of SMBP's willingness to serve as its consultant and to accept compensation and reimbursement of expenses in accordance with its standard billing practices subject to this Court's approval in accordance with the Bankruptcy Code, the Bankruptcy Rules and the Local Bankruptcy Rules and orders of the Court.

PROFESSIONAL COMPENSATION

11. SMBP's current hourly rates for its staff are as follows: \$975/hour for Professor Bradford Cornell and \$200 to \$400/hour for SMBP support staff. As discussed in the Retention Application, SMBP is contracting with Coherent Economics to assist with its analysis. SMPB will include the fees incurred by Coherent Economics in its monthly fee statements and its fee applications at Coherent Economics' current billing rates, which are as follows: \$775/hour for Dr. Alan S. Frankel (Director); \$690/hour for Dr. Roy J. Epstein (Senior Consultant); \$645/hour for consultants; \$495/hour for economists; and \$220 to \$445/hour for research analysts.

12. These hourly billing rates are subject to periodic adjustments to reflect economic and other conditions. SMBP regularly charges its clients for expenses incurred in connection with the representation of a client in a given matter. Such expenses include, without

limitation, travel costs, telecommunications, express or overnight mail, messenger service, photocopying costs, overtime meals, and other computer research related expenses, and, in general, all identifiable expenses that would not have been incurred except for representation of a particular client. SMBP will include the expenses incurred by Coherent Economics as expenses in its monthly fee statements and its fee applications. SMBP will abide by the rules and regulations relating to reimbursement of expenses which have been adopted by this Court and by the Office of the United States Trustee.

13. SMBP will include Coherent Economics' invoices in its monthly fee statements and its fee applications and will pay Coherent Economics' invoices, pro rata, as SMBP receives payment from the Debtors. SMBP has an agreement with Coherent Economics that, in exchange for the services that SMBP has and will render in generating and managing the work in this engagement, Coherent Economics will pay SMBP twenty percent of all of Coherent Economics' professional billings, excluding those of Dr. Frankel, the director of Coherent Economics. SMBP will not share any compensation it receives with another person and will not share any compensation or reimbursement received by another professional retained in these Chapter 11 Cases.

14. Neither I nor SMBP is a creditor, equity security holder or an insider of any of the Debtors.

15. SMBP and I are not, and were not within the two years prior to the Petition Date, a director, officer, or employee of any of the Debtors.

16. Accordingly, I believe both SMBP and I are each a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: Pasadena, California
August 27, 2012

/s/ Bradford Cornell
Bradford Cornell

SCHEDULE 1

Retention Checklist

RESIDENTIAL CAPITAL, LLC ET AL.
Case No. 12-12020 (MG)

MASTER CONFLICT LIST

Debtors and Subsidiaries

ditech, LLC
DOA Holding Properties, LLC
DOA Properties IX (Lots-Other), LLC
EPRE LLC
Equity Investment I, LLC
ETS of Virginia, Inc.
ETS of Washington, Inc.
Executive Trustee Services LLC
GMAC – RFC Holding Company, LLC
GMAC Model Home Finance I, LLC
GMAC Mortgage USA Corporation
GMAC Mortgage, LLC
GMAC Residential Holding Company, LLC
GMAC RH Settlement Service, LLC
GMACM Borrower LLC
GMACM REO LLC
GMACR Mortgage Products, LLC
HFN REO SUB II, LLC
Home Connects Lending Services, LLC
Homecomings Financial Real Estate Holdings, LLC
Homecomings Financial, LLC
Ladue Associates, Inc.
Passive Asset Transactions, LLC
PATI A, LLC
PATI B, LLC
PATI Real Estate Holdings, LLC
RAHI A, LLC
RAHI B, LLC
RAHI Real Estate Holdings, LLC
RCSFJV2004, LLC
Residential Accredit Loans, Inc.
Residential Asset Mortgage Products, Inc.
Residential Asset Securities Corporation
Residential Capital, LLC
Residential Consumer Services of Alabama, LLC
Residential Consumer Services of Ohio, LLC
Residential Consumer Services of Texas, LLC
Residential Consumer Services, LLC
Residential Funding Company, LLC
Residential Funding Mortgage Exchange, LLC
Residential Funding Mortgage Securities I, Inc.
Residential Funding Mortgage Securities II, Inc.
Residential Funding Real Estate Holdings, LLC
Residential Mortgage Real Estate Holdings, LLC
RFC – GSAP Servicer Advance, LLC
RFC Asset Holdings II, LLC
RFC Asset Management, LLC
RFC Borrower LLC
RFC Construction Funding, LLC
RFC REO LLC
RFC SFJV-2002, LLC

Foreign Subsidiaries

Canada Mortgage Acceptance Corporation
Foreign Obligation Exchange, Inc. 2003-H12
Foreign Obligation Exchange, Inc. 2003-H14
Foreign Obligation Exchange, Inc. 2004-H11
Foreign Obligation Export, Inc.
GMAC Financiera S.A. de C.V. Sociedad
Financiera de Objeto Multiple
GMAC Residential Funding of Canada Limited
GMAC-RFC (No. 2) Limited
GMAC-RFC Auritec, S.A.
GMAC-RFC Direct Limited
GMAC-RFC Espana Hipotecas SL
GMAC-RFC Europe Limited
GMAC-RFC Holdings Limited
GMAC-RFC Property Finance Limited
High Street Home Loans Limited
MCA Finance Limited
National Guarantee plc
Private Label Group Limited
Private Label Mortgage Services Limited

Officers and Directors

Abreu, Steven M.
Aretakis, James
Dondzila, Catherine M.
Fleming, Patrick
Hamzehpour, Tammy
Harney, Anthony J.
Hills, Garry
Horner, Jill M.
III, Edward F. Smith,
Ilany, Jonathan
Mack, John E.
Marano, Thomas
Meyer, Darsi
Nees, Louis A.
Pensabene, Joseph A.
Riddle, Mindy
Strauss, Thomas M.
Tyson, William N.
West, Pamela E.
Whitlinger, James
Wilkinson, Winston Carlos

Parties to Funding Agreements

Ally Financial Inc (f/k/a GMAC Inc.)
Barclays Bank PLC
Citibank, N.A.
Wells Fargo Bank, N.A.
BMMZ Holdings LLC
US Bank National Association
Deutsche Bank Trust Company Americas

Bondholders

AllianceBernstein Advisors
American Enterprise Investment Services Inc.
Appaloosa Management L.P.
Bank of New York Mellon, (The)/Barclays Capital -
London
Bank of Nova Scotia/CDS
BARC/FIXED
Barclays Capital Inc. /LE
Berkshire Hathaway Inc.
BlackRock Global Investors
Charles Schwab & Co., Inc.
CITIBK/GRP
Citigroup Global Markets Inc.
Citigroup Global Markets Inc. /Salomon Brothers
Credit Suisse Securities (USA) LLC
David Lerner Associates, Inc.
Deutsche Bank Securities, Inc.
E*Trade Clearing LLC
Edward D. Jones & Co.
First Clearing, LLC
First Southwest Company
Goldman Sachs International
Goldman, Sachs & Co.
Interactive Brokers Retail Equity Clearing
J.P. Morgan Clearing Corp.
J.P. Morgan Securities LLC
Janney Montgomery Scott Inc.
Loomis Sayles & Company
LPL Financial Corporation
Merrill Lynch Safekeeping
Morgan Stanley & Co. LLC
Morgan Stanley Smith Barney LLC
National Financial Services LLC
Oppenheimer & Co. Inc.
OptionXpress, Inc
P. Schoenfeld Asset Management
Paulson & Co. Inc.
Penson Financial Services, Inc./Ridge.
Pershing LLC
Pentwater Capital Management
Putnam Investment Management
Raymond, James & Associates, Inc.
RBC Capital Markets, LLC
Scottrade, Inc.
Security Investors LLC
Silver Point Capital, L.P.
Stifel, Nicolaus & Company Incorporated
Taconic Capital Advisors, L.P.
TD Ameritrade Clearing, Inc.
Timber Hill LLC
UBS Financial Services LLC
UBS Securities LLC
Vanguard Marketing Corporation
Western Asset Management Company

Landlords and Tenants

2155 Northpark Lane LLC
2255 Partners, L.P. c/o M. David Paul Development

LLC
Avenel Realty Company d / b / a Avenel at
Montgomery Square
Brandywine Cityplace LP
BREOF Convergence LP c/o Brookfield Real Estate
Opportunity Fund
Business Suites (Texas) LTD
Center Township of Marion County
Del Amo Financial Center, LP
DRA CLP Esplanade LP c/o Colonial Properties
Services Ltd Partnership
Euclid Plaza Associates, LLC
GBM Properties, LLC
Homeowners Alliance
Liberty Property Limited Partnership
National Default Servicing, LLC
New Towne Center Inc.
PBC San Jose, LLC
PBC Walnut Creek, LLC
Realty World - Graham/Grubbs and Associates
Regus Management Group LLC
Teachers Insurance and Annuity Association of
America c/o Northmarq RES
The Irvine Company LLC
The Office Annex, Inc.
Veridian Credit Union f/k/a John Deere Community
Credit Union
W.E.G., Jr., Inc. d / b / a Highland-March Beverly
Suites

Parties to Litigation

Acacia Life Insurance Company
Allstate Bank (f/k/a Allstate Federal Savings Bank)
Allstate Insurance Company
Allstate Life Insurance Company
Allstate Life Insurance Company of New York,
Allstate Retirement Plan
Allstate New Jersey Insurance Company
American Heritage Life Insurance Company
Ameritas Life Insurance Corp.
Assured Guaranty Municipal Corp.
Boilermaker Blacksmith National Pension Trust
Brown County, Ohio
Cambridge Place Investment Management Inc.
Church-Dellinger, Victoria Jean
Columbus Life Insurance Company
Deutsche Zentral-genossenschaftsbank, New York
Branch, d/b/a DZ Bank AG, New York Branch
DG Holding Trust
Federal Home Loan Bank of Boston
Federal Home Loan Bank of Chicago
Federal Home Loan Bank of Indianapolis
Federal Home Loan Mortgage Corporation
Federal Housing Finance Agency
Financial Guaranty Insurance Company
First Colonial Insurance Company
Fort Washington Active Fixed Income LLC
Fort Washington Investment Advisors, Inc.
HSH Nordbank AG

HSH Nordbank AG, Luxembourg Branch
HSH Nordbank AG, New York Branch
HSH Nordbank Securities S.A.
Huntington Bancshares Inc.
IKB Deutsche Industriebank AG
IKB International S.A. (in Liquidation)
Integrity Life Insurance Company
Kennett Capital, Inc.
Kral, Kenneth L.
Laster, Martea
Massachusetts Mutual Life Insurance Company
MBIA Insurance Corporation
Mitchell, Ruth
Mitchell, Steven
National Credit Union Administration Board
National Integrity Life Insurance Company
New Jersey Carpenters Health Fund
New Jersey Carpenters Vacation Fund
Rio Debt Holdings (Ireland) Limited
Sall, Mohammed A.
Sealink Funding Ltd.
State of Ohio
Stichting Pensioenfond ABP
The Charles Schwab Corporation
The Union Central Life Insurance Company
The Western and Southern Life Insurance Company
Thrivent Balanced Fund
Thrivent Balanced Portfolio
Thrivent Bond Index Portfolio
Thrivent Core Bond Fund
Thrivent Financial Defined Benefits Plan Trust
Thrivent Financial for Lutherans
Thrivent Income Fund
Thrivent Limited Maturity Bond Fund
Thrivent Limited Maturity Bond Portfolio
U.S. Central Federal Credit Union
West Virginia Investment Management Board
Western Corporate Federal Credit Union
Western-Southern Life Assurance Company

U.S. Trustee's Office (Region 2 Trial Attorneys)

Davis, Tracy Hope
Driscoll, Michael
Gasparini, Elisabetta
Golden, Susan
Khodorovsky, Nazar
Masumoto, Brian S.
Morrissey, Richard C.
Nakano, Serene
Riffkin, Linda A.
Schwartz, Andrea B.
Schwartzberg, Paul K.
Velez-Rivera, Andy
Zipes, Greg M.

Bankruptcy Judges (New York)

Bernstein, Stuart M.
Chapman, Shelley C.
Drain, Robert

Gerber, Robert E.
Glenn, Martin
Gropper, Allan L.
Lane, Sean H.
Lifland, Burton R.
Morris, Cecelia G.
Peck, James M.

District Court Judges (New York)

Baer, Harold
Batts, Deborah A.
Berman, Richard M.
Briccetti, Vincent L.
Buchwald, Naomi Reice
Carter, Andrew L.
Castel, P. Kevin
Cedarbaum, Miriam Goldman
Cote, Denise L.
Crotty, Paul A.
Daniels, George B.
Duffy, Kevin T.
Engelmayer, Paul A.
Forrest, Katherine B.
Gardephe, Paul G.
Griesa, Thomas P.
Haight, Charles S.
Hellerstein, Alvin K.
Jones, Barbara S.
Kaplan, Lewis A.
Karas, Kenneth M.
Koeltl, John G.
Marrero, Victor
McKenna, Lawrence M.
McMahon, Colleen
Nathan, Alison J.
Oetken, J. Paul
Owen, Richard
Patterson, Robert P.
Pauley, William H.
Preska, Loretta A.
Rakoff, Jed S.
Ramos, Edgardo
Sand, Leonard B.
Scheindlin, Shira A.
Seibel, Cathy
Stanton, Louis L.
Stein, Sidney H.
Sullivan, Richard J.
Swain, Laura Taylor
Sweet, Robert W.
Wood, Kimba M.

Depositing Banks

Ally Bank
Bank of America, N.A.
Bank of New York Mellon
Citibank, N.A.
Deutsche Bank Trust Company Americas
JPMorgan Chase Bank, N.A.

M&T Bank
State Street Bank and Trust Company
U.S. Bank National Association
Wachovia Bank, National Association

Consultants & Professionals

AlixPartners
Barclays Bank PLC
Centerview Partners LLC
Chadbourne & Parke LLP
Deloitte & Touche
Evercore
Fortress Investment Group, LLC
FTI Consulting, Inc.
Gonzalez, Arthur J.
Kirkland & Ellis LLP
Kramer Levin Naftalis & Frankel LLP
Kurtzman Carson Consultants LLC
Mayer Brown LLP
Mercer
Moelis
Nationstar Mortgage, LLC
PricewaterhouseCoopers
Rubenstein Associates, Inc.
Sidley Austin LLP
Skadden, Arps, Slate, Meagher & Flom LLP

HELOC Investors

5th 3rd bank
Aurora Loan Services LLC
Bank One, Texas N.A.
Deutsche Bank National Trust Co.
Everbank
JP Morgan Chase
Macquarie Mortgages USA Inc
Suntrust
The Bank of New York Mellon
Treasury Bank, N.A.
Us Bank, N.A.
Wachovia Bank Na
Wells Fargo Bank, N.A.

Servicing Counterparties

Government Entities and GSEs

Federal Home Loan Mortgage Corporation (Freddie Mac)
Federal Housing Administration (FHA)
Federal National Mortgage Association (Fannie Mae)
Government National Mortgage Association (Ginnie Mae)

Housing and Local Agencies

California Housing Finance Agency
CitiMortgage, Inc., as administrator for Texas Veterans Land Board
Connecticut Housing Finance Authority
Delaware Housing Authority

Hawaii Housing (Hula Mae)
Housing Opportunities Commission of Montgomery County, Maryland
Mississippi Home Corporation
Neighborhood Housing Services of America and Philadelphia N.H.S.
Oregon Housing and Community Services Department
Redevelopment Authority of the County of Berks Rural Housing
The Housing and Redevelopment Authority in and for the City of Minneapolis
The Industrial Commission of North Dakota

Mortgage and Monoline Insurers

The ACE Group
Ambac
Assured Guaranty Corp.
Cuna Mutual Group Mortgage Insurance Company
FGIC
Financial Security Assurance Inc
Federal Insurance Group (a subsidiary of the Chubb Group of Insurance Companies)
General Electric Mortgage Insurance Corporation
Genworth Mortgage Insurance Corporation
MBIA
Mortgage Guaranty Insurance Corp.
PMI Mortgage Insurance Co.
Radian Asset Assurance Inc.
Radian Guaranty Inc.
Republic Mortgage Insurance Company
Triad Guaranty Insurance Corporation
United Guaranty Residential Insurance Company

Trustees

Bank One, National Association
BNY Midwest Trust Company
Chase Bank of Texas, N.A.
Citibank, N.A.
Deutsche Bank National Trust Company
Deutsche Bank Trust Company Americas
HSBC Bank USA, National Association
JPMorgan Chase Bank, N.A.
LaSalle Bank National Association
Security Pacific National Company
The Bank of New York Mellon
U.S. Bank National Association
US National Association
Wells Fargo Bank Minnesota, N.A.
Wells Fargo Bank, National Association
Wilmington Trust Company

Other Counterparties to Servicing Agreements

50 BY 50, LLC
ABN AMRO Mortgage Group, Inc.
Access National Mortgage Corporation
Ace Home Equity Loan Trust, Series 2007-SL3
ACE Securities Corp.
ACT Mortgage Capital

Advantage Bank
Aegis Mortgage Corporation
Aegon USA Realty Advisors
Alliance Bancorp
Alliance Securities Corp.
Ally Bank
Ally Financial Inc.
Ally Investment Management LLC
Alternative Finance Corporation
Amalgamated Bank of New York
American Equity Mortgage, Inc.
American Home Mortgage
American Home Mortgage Acceptance, Inc.
American Home Mortgage Investment Trust 2005-2
American Home Mortgage Investment Trust 2005-4A
American Home Mortgage Investment Trust 2006-2
American Home Mortgage Investment Trust 2007-A
American Home Mortgage Servicing, Inc.
American Home Mortgage Trust 2004-4
American Home Mortgage Trust 2005-1
American Home Mortgage Trust 2005-2
American Home Mortgage Trust 2005-4A
American Residential Equities XXVII, LLC
American Residential Equities, LLC
Amerquest Mortgage Company
Andover Bank
Arbor Commercial Mortgage, LLC
Asset Management Holding of South Florida, LLC
Assured Guaranty Municipal Corp
Atlantic Financial Federal
Audobon Savings Bank
Aurora Loan Services Inc.
Aurora Loan Services LLC
Banc of America Funding 2005-3 Trust
Banc of America Funding 2005-8 Trust
Banc of America Funding 2006-1 Trust
Banc of America Funding 2006-4 Trust
Banc of America Funding Corporation
Banc of America Mortgage Capital Corporation
Bancap
Banco Mortgage Company
Banco Popular North America
Bank of America, National Association
Bank of Hawaii
Bank One, Texas, N.A.
Bank Rhode Island
Bank United, FSB
Bankatlantic, A Federal Savings Bank
Bankers Saving
Bankers Trust Company
Banknorth Mortgage
Bay Atlantic Federal Credit Union
Bay Financial Savings Bank, FSB
Bayrock Mortgage Corporation
Bayview Acquisitions, LLC
Bayview Financial Asset Trust
Bayview Financial Property Trust

Bayview Financial Securities Company, LLC
Bayview Financial Trading Group, L.P.
Bayview Financial, L.P.
Bear Stearns Asset Backed Securities I, LLC
Bear Stearns Mortgage Capital Corporation
Bear Stearns Second Lien Trust 2007-1
Bear Stearns Second Lien Trust 2007-SV1
Bell Federal Savings and Loan Association
BellaVista Funding Corporation
Belvedere Trust Finance Corporation
Bluebonnet Savings Bank FSB
BMMZ Holdings LLC
Broadway Federal Bank, FSB
Brothers Bank, FSB
Butte Savings and Loan Association
Caliber Funding, LLC
California Banking Association
California Federal Bank, FSB
California Public Employees' Retirement System
Cambridge Place Collateral Management LLC
Canada Mortgage Acceptance Corporation
Capital Crossing Bank
Capitol Federal Savings and Loan Association
Capstead Mortgage Corporation
CDC Mortgage Capital Inc. (Natixis)
Cenfed Bank, a Federal Savings Bank
Cenlar FSB
CenterState Bank of Florida, N.A.
Central Bank of Jefferson County, Inc.
Century Bank, FSB
CFX Bank
Charter One Bank, FSB
Charter One Bank, N.A.
Chase Manhattan Mortgage Corporation
Chemical Mortgage Company
Citi Financial Mortgage Co., Inc
Citibank (West), FSB
Citigroup Global Markets Realty Corp.
Citigroup Mortgage Loan Trust Inc.
CitiMortgage, Inc.
Citizens Bank of Connecticut
Citizens Bank of Massachusetts
Citizens Bank of New Hampshire
Citizens Bank of Pennsylvania
Citizens Bank, N.A.
Citizens Federal Bank, FSB
Clayton Fixed Income Services Inc.
Clayton National, Inc.
CMC Investment Partnership
Coastal Banc Capital Corporation
Coastal Banc SSB
Coastal States Mortgage Corporation
Collective Federal Savings Bank
Colonial Mortgage Service Company
Comerica Bank
Community Lending, Incorporated
Communityone Bank, N.A.
ComUnity Lending, Incorporated
Copperfield

Core, Cap Inc.
Corona Asset Management III, LLC
Countrywide Bank, N.A.
Countrywide Home Loans Servicing, LP
Countrywide Home Loans, Inc.
Credit Suisse First Boston Mortgage Securities Corp.
CSX
CTCE Federal Credit Union
CTX Mortgage Company, LLC
DB Structured Products, Inc.
Deutsche Alt-A Securities, Inc.
Deutsche Bank AG New York Branch
Deutsche Mortgage Securities, Inc.
DLJ Mortgage Acceptance Corp.
DLJ Mortgage Capital, Inc.
Dollar Bank, FSB
Drawbridge Consumer Funding Ltd
Dynex Securities Corporation
E*Trade Bank
E*Trade Mortgage
E*Trade Wholesale Lending Corp.
EAB Mortgage Company, Inc.
EMC Mortgage Corporation
Empire Mortgage X, Inc.
Encore Bank and National Association
Encore Savings Bank
Erie Savings Bank
Eurekabank
EverBank
Fairbanks Capital Corp.
Fairfax Savings Bank
Family Bank, FSB
Family Lending Services, Inc.
FBS Mortgage Corporation
Federal Home Loan Bank of Atlanta
Federal Trust Bank, FSB
Fidelity Federal Bank
Fidelity Savings and Loan
Fifth Third Bank
Financial Asset Securities Corp.
First Bank Incorporated
First Bank, Inc.
First Cap Holdings, Inc.
First Citizens Bank and Trust Company
First Citizens Mortgage Company
First Community Bank N.A.
First Federal of Michigan
First Federal Savings and Loan Association of Storm Lake
First Guaranty Mortgage Corporation
First Horizon Home Loan Corporation
First Indiana Bank
First Internet Bank of Indiana
First Massachusetts Bank, N.A.
First National Bank and Trust Company
First National Bank of Arizona
First National Bank of El Dorado
First Nationwide Mortgage Corporation

First NLC
First Rate Capital Corporation
First Savings Mortgage Corporation
First Tennessee Bank National Association
First Tennessee Capital Assets Corporation
First Trust Savings Bank
First Union National Bank
First-Citizens Bank & Trust Company
Firsttrust Bank
Fleet National Bank
Flex Point Funding Corporation
Flick Mortgage Investors, Inc.
FNBA
Fortress Credit Corp.
FPA Corporation
Franklin Bank, SSB
Franklin Credit
Franklin Credit Management Corporation
Gateway Credit Union
Gateway Funding Diversified Mortgage Services, LP
GE Capital Consumer Card Co.
GE Mortgage Services, LLC
Geneva Mortgage Corporation
Germantown Savings Bank
Gibraltar Savings Association
Ginn Financial Services, LLC
Goldman Sachs Mortgage Company
Gonzalo Residential Asset Trust
Great American First Savings Bank
Great American Savings Bank
Green Planet Servicing, LLC
Green Tree Servicing LLC
GreenPoint Mortgage Funding Trust 2005-HE4
GreenPoint Mortgage Funding Trust 2006-HE1
GreenPoint Mortgage Funding, Inc.
Greenwich Capital Acceptance, Inc.
Greenwich Capital Financial Products, Inc.
Greenwich Universal Portfolio
GS Mortgage Securities Corp.
GSAA Home Equity Trust 2005-9
GSMPS Mortgage Loan Trust 2005-LT1
GSR Mortgage Loan Trust 2006-AR2
GSR Trust 2007-HEL1
Guardian Savings Bank
Hanover Capital Mortgage Holdings, Inc.
HarborView Mortgage Loan trust 2004-10
Healthcare Employees Federal Credit Union
Home Equity Loan Trust 2005-HS2
Home Equity Loan Trust 2006-HSA2
Home Equity Loan Trust 2006-HSA3
Home Equity Loan Trust 2006-HSA5
Home Equity Loan Trust 2007-HSA1
Home Equity Loan Trust 2007-HSA3
Home Federal Savings & Loan Association of Rome, Ga.
Home Loan Corporation
Home Loan Series 09-2028
HomeBanc Mortgage

HomEq Servicing Corporation
Horsham Funding Inc.
HSI Asset Securitization Corporation
Hudson & Keyse, LLC
Hudson City Savings Bank
Huntington Federal Savings & Loan Association
Hyperion Capital Group LLC
IMPAC CMB Trust Series 2005-6
IMPAC Funding Companies
IMPAC Funding Corporation
IMPAC Mortgage Holdings, Inc.
IMPAC Secured Assets Corp.
Imperial Credit Industries, Inc.
Independent Bank East Michigan
IndyMac Bank, FSB (now OneWest Bank, FSB)
IndyMac MBS, Inc.
IndyMac Mortgage Holdings, Inc.
ING Bank, FSB
Investment Capital Group
Irwin Union Bank and Trust Company
Ixis Real Estate Capital Inc
Jackson Federal Bank
Just Mortgage, Inc.
Kaiser Federal Bank
Keystone Nazareth Bank & Trust Company
Kidder Peabody Mortgage Capital Corporation
Lacera
Lebank
Lehman Brothers Bank, FSB
Lehman Brothers Holdings Inc.
Lehman Capital, a division of Lehman Brothers
Holdings Inc.
Liberty Home Lending, Inc.
Liberty Savings Bank, FSB
Linden Assemblers Federal Credit Union
Litton Loan Servicing, LP
LNV Corporation
Loan Center of California
Loan Link Financial Services
Local #38 and Associates Credit Union
Lomas Mortgage USA, Inc.
Los Angeles County Employees Retirement
Association
Los Angeles Federal Savings
LPP Mortgage Ltd.
Luminent Mortgage Capital, Inc.
Lydian Private Bank
Macquarie Mortgage Funding Trust 2007-1
Macquarie Mortgages USA, Inc.
MAIA Mortgage Finance Statutory Trust
Marine Bank
Market Street Mortgage Corporation
Massachusetts Mutual Life Insurance Co.
Matrix Capital Bank
MB Financial Bank N.A.
Medway Savings Bank
Mellon Bank
Mellon/McMahon Real Estate Advisors Inc.
Merck Sharp & Dohme Federal Credit Union

Mercury Mortgage Finance Statutory Trust
Meridian Mortgage Corporation
Merrill Lynch Bank & Co.
Merrill Lynch Hunton Paige
Merrill Lynch Mortgage Capital Inc.
Merrill Lynch Mortgage Holdings, Inc.
Merrill Lynch Mortgage Investors, Inc.
Merrill Lynch Mortgage Lending, Inc.
Metlife Bank, N.A.
Metrocities Mortgage Corp., LLC
Metropolitan Life Insurance Company
Mid America Bank, FSB
MidFirst Bank
Midland Financial Savings and Loan Association
Mint I, LLC
Mint II, LLC
Money Bank Investment Corporation
Monterey I Holdings
Morgan Stanley Capital I Inc.
Morgan Stanley Mortgage Capital Inc.
Morgan Stanley Mortgage Loan Trust 2005-3AR
Mortgage Asset Securitization Transactions, Inc.
Mortgage Asset Securitization Trust
Mortgage Interest Networking Trust II
Mortgage Investors Corporation
MortgageIT Holdings Inc.
MortgageIT Securities Corp.
MortgageIT Trust 2005-4
MortgageIT, Inc
MRF 3 LLC
Mrit Securities Corporation
Mutual Savings & Loan Association of Charlotte,
N.C.
Mutual Savings Bank
National Bank of Commerce
NETBANK
Network Funding L.P.
Neuwest Equity Partners
New Century Mortgage Securities, Inc.
New Cumberland Federal Credit Union
New Penn Financial, LLC
New York Life Insurance and Annuity Corporation
New York Life Insurance Company
Nomura Asset Acceptance Corporation
Nomura Credit & Capital, Inc.
Nomura Home Equity Loan, Inc.
North Jersey Federal Credit Union, Inc.
Northwest Funding, Inc.
Northwestern National Bank of Minneapolis
Norwest Bank Minnesota, National Association
Norwest Mortgage, Inc.
Ocwen Federal Bank FSB
Ocwen Loan Servicing, LLC
Ohio Savings Bank
Opteum Financial Services, LLC
Option One Mortgage Corporation
Paine Webber Real Estate Securities Inc.
Parkside Lending, LLC
Parkvale Savings Bank

Paul Financial, LLC	Specialized Loan Servicing LLC
People Savings Bank, Inc., SSB	St. Paul Federal Bank for Savings
Peoples Heritage Savings Bank	Stanwich Mortgage Acquisition Company, LLC
PHH Mortgage	Sterling Savings Bank
Philadelphia Federal Credit Union	Steward Financial, Inc.
Pinnacle Capital Mortgage Corporation	Stonebridge Bank
Pinnacle Financial Corporation	Structured Asset Mortgage Investments II Inc.
Plaza Home Mortgage, Inc.	Structured Asset Mortgage Investments, Inc.
PMC Bancorp	Structured Asset Securities Corporation
PNC Bank, N.A.	Structured Mortgage Investments II Inc.
PNC Mortgage Securities Corp.	Summit Savings & Loan Association
Pomona First Federal Bank and Trust	Suntrust Asset Funding, LLC
Principal Asset Markets, Inc.	Superior Bank
Principal Bank	Susquehanna Bank
Principal Mutual Life Insurance Company	Syncora Guarantee Inc.
Private Capital Group	Taylor, Bean Whitaker
Quaker City Bank	TCF National Bank
Quicken Loans Inc.	TCIF, LLC
RBS Citizens, National Association	TeleBank
Real Time Resolutions, Inc.	Terwin Advisors LLC
Real Time Solutions	Terwin Mortgage Trust 2006-6
Realty Mortgage Corporation	Terwin Securitization LLC
Redlands Federal Bank, FSB	The Canada Trust Company
Redwood Trust, Inc.	The Chase Manhattan Bank
Reliance Federal Credit Union	The First Boston Corporation
Residential Mortgage Assistance Enterprise, LLC	The First National Bank of Glens Falls
Resolution Capital Advisors, LLC	The Frost National Bank
Ridgewood Savings Bank	The Mortgage Store Financial, Inc.
Riggs Bank N.A.	The New York Mortgage Company, LLC
Rochester Community Savings Bank	The Travelers Indemnity Company
Roosevelt Management Company, LLC	The Winter Group
RWT Holdings, Inc.	Treasury Bank, N.A.
Ryland Acceptance Corporation Four	Tri Counties Bank
SACO I Trust 2005-GP1	Tri Country Area Federal Credit Union
SACO I Trust 2006-8	Truman Capital Securitization LLC
Salomon Brothers Realty Corp.	UBS Real Estate Securities Inc.
Saxon Mortgage Funding Corporation	UBS Warburg Real Estate Securities Inc.
Sea Breeze Financial Services, Inc.	UBS Warburg, LLC
Sebring Capital	United Capital Mortgage, LLC
Secured Bankers Mortgage Company	United Federal Savings Bank
Security National	United Financial Mortgage Corporation
Security Pacific National Bank	United Savings Association of Texas, FSB
Select Portfolio Servicing Inc.	Unity Bank
Sequoia Funding Trust	Universal Master Servicing, LLC
Sequoia Residential Funding, Inc.	US Bank Home Mortgage
Shearson Lehman Government Securities, Inc.	USAA Federal Savings Bank
Shellpoint Mortgage LLC	Valley Independent Bank
Sierra Pacific Mortgage, Inc	Vermont Mortgage Group, Inc.
Silver State Financial Services, Inc.	Wachovia Bank, National Association
Silvergate Bank	Wachovia Mortgage Corporation
Skyline Financial Corp.	Walter Mortgage Company
SMFC Funding Corporation	Washington Mutual Bank
SN Servicing Corporation	Washington Mutual Mortgage Securities Corp.
SNBOA, LLC	Webster Bank
Southbank	Western Financial Savings Bank, FSB
Southern Pacific Thrift and Loan Association	WestStar Mortgage, Inc.
SouthStar Funding, LLC	Wilshire Credit Corporation
Southwest Savings and Loan Association	Winter Group
Sovereign Bank, FSB	Witmer Funding LLC

WMCC Clayton / Washington Mutual Bank
WMD Capital Markets, LLC

Utilities

Abovenet Communications Inc.
AT&T
AT&T Mobility
Center Point Energy
CenturyLink
Cisco Systems Capital Corporation
City of Eden Prairie
Comcast
Dish Network
Genesys Conferencing
Global Capacity Group Inc.
IEX Corporation
Inova Solutions
Intercall
Intervoice Inc.
Level 3 Communications LLC
MediaCom
Micro-Tel Center
MidAmerican Energy
Sprint
Time Warner Cable
Time Warner Telecom
Verizon
Verizon Business
Verizon California
Verizon Wireless
Waste Management
Waterloo Water Works
Xcel Energy

Consolidated Top 50 Creditors

Aegis Usa Inc.
Alan Gardner
Allstate Insurance
Ambac Assurance Corp
Assured Guaranty Corp.
BNYMellon
Boilermaker Blacksmith National Pension Trust
Brian Kessler, et al
Cambridge Place Investment Management Inc.
Credstar
Deutsche Bank AG, New York
Deutsche Bank Trust Company Americas
Don E. Diane M. Patterson
Donna Moore
Emortgage Logic
Federal Home Loan Bank of Boston
Federal Home Loan Bank of Chicago
Federal Home Loan Bank of Indianapolis
Federal Housing Finance Agency
Financial Guaranty Insurance Co.
Huntington Bancshares Inc.
Indecomm Global Services
Iowa Public Employees Retirement System
Lehman Brothers Holdings, Inc.

Loan Value Group
Massachusetts Mutual Life Insurance Company
MBIA, Inc.
Midwest Operating Engineers Pension Trust Fund
National Credit Union Administration Board
New Jersey Carpenters Health Fund
New Jersey Carpenters Vacation Fund
Orange County Employees Retirement System
Police and Fire Retirement System of the City of
Detroit
Sealink Funding Limited
Steven And Ruth Mitchell
Stichting Pensioenfond ABP
The Charles Schwab Corporation
The Union Central Life Insurance Company
Thrivent Financial for Lutherans
Tiffany Smith
US Bank
Wells Fargo & Company
Wells Fargo Bank N.A
West Virginia Investment Management Board
Western & Southern

Members of the Creditors' Committee

Allstate Life Insurance Company
AIG Asset Management (U.S.), LLC
The Bank of New York Mellon Trust Company,
N.A.
Deutsche Bank Trust Company Americas
Drennen, Rowena L.
Financial Guaranty Insurance Company
MBIA Insurance Corporation
U.S. Bank National Association
Wilmington Trust, N.A.

Rule 2004 Motion Parties

AlixPartners
Cerberus Capital Management, L.P.
Cerberus FIM Investors LLC
Cerberus FIM, LLC
FIM Holdings LLC
General Motors Company
Gibbs & Bruns, LLP
GMAC Bank
GMAC Commercial Finance, LLC
GMAC LLC
GMAC Mortgage Group, LLC
Houlihan Lokey
IB Finance Holding Company, LLC
Kelly Drye & Warren LLP
Kramer Levin et al
Moelis & Company
Morrison & Foerster LLP
Morrison Cohen LLP
National Motors Bank FSB
Ropes & Gray LLP
White & Case

EXHIBIT B

Proposed Order

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

----- X
In re: : Chapter 11
:
Residential Capital, LLC, et al., : Case No. 12-12020 (MG)
:
Debtors. : Jointly Administered
:
----- X

**ORDER APPROVING RETENTION OF SAN MARINO BUSINESS PARTNERS LLC
AS CONSULTANT TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS,
NUNC PRO TUNC TO AUGUST 11, 2012**

Upon the application, dated August 27, 2012 (the "Application"), of the Official Committee of Unsecured Creditors appointed in the above-captioned cases (the "Committee") for entry of an order (the "Order") authorizing the retention of San Marino Business Partners LLC ("SMBP") as consultant and possible expert witness to the Committee effective as of August 11, 2012, as more fully described in the Application; and upon the Declaration of Bradford Cornell (the "Cornell Declaration"), a managing director of SMBP, dated August 27, 2012, attached to the Application as Exhibit A; and the Court being satisfied that based on the representations made in the Application and the Cornell Declaration that SMBP is "disinterested" as such term is defined in section 101(14) of the Bankruptcy Code, as modified by section 1107(b) of the Bankruptcy Code, and as required under section 327(a) of the Bankruptcy Code, and that SMBP represents no interest adverse to the Debtors' estates or the Committee with respect to the matters upon which it is to be engaged; and the Court having jurisdiction to consider the Application and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334; and consideration of the Application and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and the Amended Standing Order M-

431 of Referral of Cases to Bankruptcy Court Judges of the District Court for the Southern District of New York, dated January 31, 2012 (Preska, Acting C.J.); and venue being proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409; and due and proper notice of the Application having been provided; and a hearing having been held to consider the relief requested in the Application (the “Hearing”); and upon the record of the Hearing and all of the proceedings had before the Court; and the Court having found and determined that the relief sought in the Application is in the best interests of the Committee and that the legal and factual bases set forth in the Application establish just cause for the relief granted herein; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Application is granted as provided herein; and it is further

ORDERED that in accordance with sections 328 and 1103 of the Bankruptcy Code and Bankruptcy Rule 2014 and Local Bankruptcy Rule 2014-1, the Committee is authorized to retain and employ SMBP as its consultant and possible expert witness in accordance with the terms and conditions set forth in the Application and the Engagement Letter, *nunc pro tunc* to August 11, 2012; and it is further

ORDERED that payment of SMBP’s fees and expenses shall be made pursuant to the terms described in the Application and the Cornell Declaration, in accordance with the applicable provisions of the Bankruptcy Code (including Bankruptcy Code §§ 330 and 331), the Federal Rules of Bankruptcy Procedure, the Local Bankruptcy Rules, and the United States Trustee Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. Section 330, dated January 30, 1996, and any other applicable procedures and orders of this Court; and it is further

ORDERED that prior to any increases in rates as set forth in the Application, SMBP shall file a supplemental declaration with the Court and give ten business days' notice to the Debtors, the United States Trustee and any official committee, which supplemental declaration shall explain the basis for the requested rate increases in accordance with section 330(a)(3)(F) of the Bankruptcy Code and indicate whether the client has received notice of and approved the proposed rate increase; and it is further

ORDERED that the Engagement Letter is incorporated herein by reference and approved in all respects; and it is further

ORDERED that the terms and conditions of this Order shall be immediately effective and enforceable upon its entry; and it is further

ORDERED that the Committee is authorized and empowered to take all actions necessary to implement the relief granted in this Order; and it is further

ORDERED that notwithstanding anything herein to the contrary, this Order shall not modify or affect the terms and provisions of, nor the rights and obligations under, (a) the Board of Governors of the Federal Reserve System Consent Order, dated April 13, 2011, by and among AFI, Ally Bank, ResCap, GMAC Mortgage, LLC, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation, (b) the consent judgment entered April 5, 2012 by the District Court for the District of Columbia, dated February 9, 2012, (c) the Order of Assessment of a Civil Money Penalty Issued Upon Consent Pursuant to the Federal Deposit Insurance Act, as amended, dated February 10, 2012, and (d) all related agreements with AFI and Ally Bank and their respective subsidiaries and affiliates; and it is further

ORDERED that this Court shall retain jurisdiction to hear and determine all matters arising from or related to this Order.

Dated: New York, New York
_____, 2012

Hon. Martin Glenn
United States Bankruptcy Judge

EXHIBIT C

Engagement Letter

SMBP LLC
607 Foxwood Road
La Canada, CA 91101

As of August 11, 2012

Philip Bentley, Esq.
Partner
KRAMER LEVIN NAFTALIS & FRANKEL LLP
1177 Avenue of the Americas
New York, NY 10036

RE: Residential Capital, LLC, et al.,
U.S. Bankruptcy Court for the Southern District of New York
Case No. 12-12020
Evaluation of Proposed Settlement of Debtors' RMBS Liabilities.

Dear Mr. Bentley,

This letter confirms the engagement, subject to approval of the Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), of San Marino Business Partners LLC ("SMBP"), effective August 11, 2012, by Kramer Levin Naftalis & Frankel LLP ("Kramer Levin") on behalf of the Official Committee of Unsecured Creditors (the "Committee") of Residential Capital, LLC et al. (the "Debtors") in the above-referenced matter to assist the Committee with the evaluation of the proposed settlement of the Debtors' RMBS liabilities, and if necessary, provide testimony with respect to the same.

SMBP agrees to treat all information, other than any publicly available information, received from the Committee and its representatives and all communications between SMBP and the Committee and its representatives as confidential, except as required by process or law or as authorized by Kramer Levin. If access to any of the materials in SMBP's possession relating to this engagement is sought by a third party, SMBP will promptly notify Kramer Levin of such action and will cooperate with Kramer Levin concerning its response thereto. In addition, SMBP will be subject to the same confidentiality agreement currently in place between the Committee and the Debtors.

SMBP understands that the Committee intends the work covered by this engagement, including all opinions, conclusions, and communications, to be protected by the attorney-client privilege and attorney work product rule to the extent provided by law, and we will make all reasonable efforts to preserve those privileges, as directed by you.

This obligation of confidentiality does not apply to data or information which is or becomes generally available to the public other than as a result of a disclosure by the Committee, its representatives or its members.

SMBP LLC
607 Foxwood Road
La Canada, CA 91101

Following the termination of SMBP's work, any nonpublic information the Committee and its representatives has supplied to SMBP will be kept confidential with at least the same degree of care as we use for our own materials. If, upon termination of this assignment, you wish to have any such documents delivered to you, or destroyed, please advise us.

SMBP will be an independent contractor and not an agent or employee of either the Committee or its representatives and SMBP will make no representation as an agent or employee of the Committee or its representatives, unless so authorized by the Committee or its representatives. SMBP will have no authority to bind the Committee or its representatives or incur other obligations on behalf of the Committee or its representatives without the Committee or its representatives' authorization.

Under this Agreement, SMBP will provide consulting/advisory services as requested by the Committee. SMBP will report to the Committee on the progress of SMBP's work, either orally or if requested by the Committee, in written form. SMBP will offer independent, objective opinions and analysis. In addition, the Committee may request SMBP to provide expert testimony.

SMBP will provide its services at the following rate: \$975/hour for Professor Bradford Cornell; and \$200-\$400/hour for SMBP support staff. These rates may be adjusted from time to time to account for economic and other conditions. In addition, any out-of-pocket expenses with respect to this engagement will be billed separately.

SMBP may subcontract out certain work to other firms and outside vendors (the "Subcontractors"). SMBP will ensure that the Subcontractors adhere to the terms of this engagement (including confidentiality and protection of privileges). SMBP will bill any of the Subcontractors' fees and expenses at cost.

SMBP understands that its fees and expenses (including those of its Subcontractors) will be paid by the Debtors, in accordance with the Bankruptcy Court-approved procedures for payment of retained professionals' fees and expenses in these chapter 11 cases, and subject to the Bankruptcy Court's approval. SMBP also understands that in no event will the Committee, its representatives (including Kramer Levin) or the Committee's members be responsible for any portion of SMBP's fees and expenses (including those of its Subcontractors).

The total liability of SMBP shall be limited to the total amount of fees paid to SMBP under this engagement. Under no circumstances shall SMBP be liable for consequential, punitive, incidental or special damages or claims in the nature of lost profits, lost revenue or lost opportunity costs. The terms of this paragraph shall survive the termination and/or expiration of this agreement and shall apply to any controlling person, director, officer, employee, subcontractor, consultant, independent contractor or affiliate of SMBP.

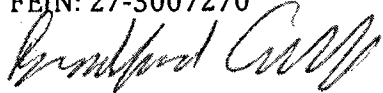
SMBP LLC
607 Foxwood Road
La Canada, CA 91101

Either party shall have the right to terminate this agreement upon providing written notice.

If the above meets with your approval, please sign and date a copy of this letter and return it us.

Thank you very much for your confidence in SMBP. We very much look forward to working with you.

Sincerely yours,
SAN MARINO BUSINESS PARTNERS LLC
FEIN: 27-3007270



Bradford Cornell
Sole Member/Managing Director

**Accepted by Kramer Levin Naftalis & Frankel, LLP, on behalf of the Official
Committee of Unsecured Creditors of Residential Capital, LLC, et al.**


Signature

PHYLLIS BENTLEY
Printed Name

8/27/12
Date